

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C.**

In the Matter of)	
Developing a Unified Intercarrier)	CC Docket No. 01-92
Compensation Regime)	

THE MISSOURI SMALL TELEPHONE COMPANY GROUP'S REPLY COMMENTS

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I. SUMMARY

In Missouri, wireless carriers such as the CMRS Petitioners have been sending traffic to small rural exchanges without an agreement and without paying for it. The wireless carriers have used their indirect interconnection with the small carriers to sidestep the Act's preference for negotiated compensation and interconnection agreements. The wireless carriers have ignored the Missouri Public Service Commission's (MoPSC) express requirement that they negotiate agreements prior to delivering traffic to Missouri's small companies. Therefore, the MoPSC approved the Missouri Small Telephone Company Group's (MoSTCG)¹ wireless tariffs that will apply to this traffic in the absence of an agreement under the Act. The MoSTCG tariffs are lawful, and they do not conflict with the small companies' duties to negotiate under the Act. Therefore, the Federal Communications Commission (FCC) should deny the Petition and reject the CMRS Petitioners' efforts to legitimize their unlawful actions.

¹ The MoSTCG member companies are listed in Attachment A.

II. REPLY COMMENTS

A. The MoSTCG Wireless Tariffs are lawful.

Most of the wireless carriers argue that the MoSTCG tariffs are unlawful. For example, Verizon Wireless states, “Wireless termination tariffs are unlawful,”² but this claim is simply untrue. The MoSTCG tariffs were filed to address wireless traffic that was unlawfully being delivered to the MoSTCG companies in the absence of an approved agreement under the Act. The MoSTCG tariffs establish the rates, terms, and conditions for wireless traffic that is delivered in the absence of an agreement, and the MoSTCG tariffs are expressly subordinated to approved agreements under the Act. Large Regional Bell Operating Companies (RBOCs) such as Southwestern Bell Telephone Company (SWBT) and Qwest have wireless tariffs which perform the exact same function. The RBOCs’ tariffs have been in place for many years, and they have not prevented any wireless carrier from negotiating a compensation or interconnection agreement. Indeed, most of the wireless carriers operating in Missouri have chosen to negotiate agreements with SWBT rather than use SWBT’s wireless tariff.

Federal courts have ruled that tariffs may be applied in the absence of an agreement under the Act,³ and the FCC has recently recognized that traffic may be delivered pursuant to either an agreement or a tariff. Earlier this year, the FCC explained:

² Verizon Wireless Comments, pp. 2-4.

³ *Three Rivers Telephone Cooperative v. U.S. West Communications*, Case No. 01-35065, *Memorandum Opinion*, (9th Cir. 2002); *U.S. West Communications v. Sprint et al.*, 275 F.3d 1241(10th Cir. 2002); *Michigan Bell v. MCI*, 128 F.Supp.2d 1043 (E.D. Mich. 2001).

There are three ways in which a carrier seeking to impose charges on another carrier can establish a duty to pay such charges: pursuant to (1) Commission rule; (2) **tariff**; or (3) contract.⁴

Thus, wireless carriers have the choice of either: (a) sending traffic via the MoSTCG wireless tariffs; or (b) establishing an agreement pursuant to the Act. What the CMRS Petitioners may not do, however, is to continue unlawfully sending wireless calls without compensation and in the absence of an agreement.

Qwest argues that “it is not appropriate for rural ILECs, or any other carriers, to establish unilateral reciprocal compensation rates for the termination of CMRS traffic via state tariffs.”⁵ Qwest’s comments seem to imply that the MoSTCG wireless tariffs are unlawful, but the irony is that Qwest itself has a wireless tariff in Iowa that provides the rates, terms, and conditions for wireless traffic that is delivered in the absence of an interconnection agreement.⁶

Qwest’s Iowa Tariff No. 1, Exchange and Network Services, Section 20, provides connecting arrangements for wireless carriers. Qwest’s original wireless tariff predates the 1996 Act, and it remains in effect today.⁷ Qwest’s wireless tariff provides for the interconnection of wireless networks with Qwest’s facilities, and it provides rates, terms and conditions for the

⁴ *In the Matter of the Petitions of Sprint PCS and AT&T Corp. for Declaratory Ruling Regarding CMRS Access Charges*, WT No. 01-316, *Declaratory Ruling*, July 3, 2002 (emphasis supplied).

⁵ Qwest Comments, p. 2.

⁶ *See Exchange of Transit Traffic*, Iowa Utilities Board Docket No. SPU-00-7 (DRU-00-2).

⁷ *Id.* at Tr. 429. In fact, Qwest reissued the tariff on Nov. 29, 2000 (with a Dec. 29, 2000 effective date) to reflect the name change from US West to Qwest.

transport and termination of that traffic to Qwest's end user customers. Moreover, it provides for the transport and termination of wireless traffic to the end user customers served by Iowa's small rural ILECs.⁸ The rates contained in Qwest's wireless tariff reflect a rate of \$0.0214 per minute of use for traffic terminating on a local basis, and \$0.0956 per minute of use for traffic terminating to small rural ILEC end offices on a toll basis.⁹

Qwest's tariff is significant for two important reasons. First, its mere existence evidences that wireless tariffs are not prohibited by state or federal law. If wireless tariffs are unlawful, as Qwest's Initial Comments imply, then how does Qwest explain the existence of its own wireless tariff which is unilateral and not reciprocal? Second, Qwest's wireless tariff indicates that tariffed rates for terminating wireless traffic may be set at rates significantly higher than reciprocal compensation rates. Qwest's wireless tariff charges a rate of 9.56¢ per minute for wireless traffic (including intraMTA traffic) terminating to small company end offices outside the local calling scope. Qwest's wireless tariff rate of 9.56¢ per minute is substantially higher than the tariff rates of the much smaller MoSTCG companies, which range from roughly 5¢ to 7.5¢ per minute.

⁸ *Id.* at Tr. 432. Section 20.1.D.6.f(1) of that tariff offers rates for Type 2 service, which applies to "traffic terminating to company end offices and traffic terminating to independent local exchange carrier (ILEC) end offices on a local basis" and "traffic terminating to ILEC end offices on a toll basis." Local and toll calling are based on Qwest's landline calling scopes and not the Major Trading Area (MTA).

⁹ *Id.* at Tr. 1461.

1. The CMRS Petitioners have sidestepped their obligations under the Act.

A number of wireless carriers argue that the MoSTCG's wireless tariffs do not comply with the Act. For example, Verizon Wireless argues that the FCC "should declare immediately that LECs may not file wireless termination tariffs to replace their obligation to negotiate interconnection agreements with CMRS carriers pursuant to Sections 251 and 252 of [the Act]."¹⁰ Sprint PCS states, "Using the tariff process to circumvent the section 251 and 252 processes cannot be allowed."¹¹

The wireless carriers' comments are misleading because the MoSTCG tariffs are not an attempt to establish a reciprocal compensation arrangement. Rather, the MoSTCG tariffs were filed because wireless carriers such as the CMRS Petitioners have been sending wireless traffic over an indirect interconnection with Missouri's small rural ILECs in the absence of any type of compensation agreement. For years, the CMRS Petitioners have sidestepped their obligations to establish compensation agreements with Missouri's small companies. During this time, the MoSTCG companies were not receiving any payment for their costs associated with terminating these wireless calls. Thus, the MoSTCG wireless tariffs were necessary in order for the MoSTCG companies to receive compensation for the wireless carriers' use of the MoSTCG companies' facilities and services. NTCA correctly concludes, "Without such tariffs, there would be no

¹⁰ Verizon Wireless Comments, p. 2.

¹¹ Sprint Comments, p. 8.

payment by CMRS providers.”¹²

2. The tariffs were filed in accordance with state law and the Act.

Some wireless carriers argue that the tariffs are “unilateral” and unlawful. For example, Sprint argues that “LECs may not circumvent the Section 252 process by filing unilaterally state tariffs.”¹³ Sprint’s argument is misleading in a number of respects. First, the MoSTCG tariffs were filed in response to the fact that wireless carriers such as Sprint PCS have been “unilaterally” sending wireless traffic to Missouri’s small rural exchanges in the absence of an agreement under the Act. Second, because Sprint PCS has been abusing its indirect interconnection to receive free termination to MoSTCG exchanges, Sprint PCS had no incentive to establish an agreement until the tariffs were approved. Third, the tariffs were approved by the MoPSC after notice and hearing. The MoSTCG wireless tariff case was hotly contested, and the burden was on the MoSTCG to show that the wireless tariffs were lawful and reasonable.

In the *Mark Twain Wireless Tariff* case, the evidence showed that ALLTEL Wireless had only established agreements with 12% of the LECs that are receiving ALLTEL’s wireless traffic.¹⁴ Sprint PCS had only established agreements with 20% of the LECs that are receiving Sprint PCS

¹² NTCA Comments, p. 7.

¹³ Sprint Comments, p. 7.

¹⁴ *In the Matter of Mark Twain Rural Telephone Company’s Wireless Termination Tariff*, Case No. TT-2001-139, Tr. 149 (ALLTEL Wireless’ witness testified, “We only have reciprocal compensation agreements with 12 percent because we have directly interconnected with the larger tandem companies.”).

wireless traffic.¹⁵ The wireless carriers cannot legitimately claim that they have made a serious effort to negotiate appropriate agreements when they only have established agreements with 12% to 20% of the LECs receiving their wireless traffic. The wireless carriers know the procedures available to them under the Act, and they claim that they are willing to negotiate. Unfortunately, the truth is that the wireless carriers have not established agreements in the vast majority of the rural areas where they are sending wireless traffic.

3. The MoSTCG tariff rates comply with state law.

The wireless carriers complain that the MoSTCG wireless tariff rates do not comply with the Act's pricing standards,¹⁶ but the Act's pricing standards do not apply to state tariffs that address traffic being sent over an indirect interconnection in the absence of an agreement under the Act.¹⁷ The MoPSC specifically found that the MoSTCG wireless tariffs are not reciprocal compensation agreements; rather, they are tariffs filed under state law in the absence of such agreements. After notice and hearing, the MoPSC held that the MoSTCG wireless tariff rates are "just and reasonable" and comply with Missouri law.

¹⁵ *Id.* at Ex. 4, p. 19.

¹⁶ *See e.g.* Cingular Comments, pp. 4-5; US Cellular Comments, p. 3.

¹⁷ *See* Alliance of Incumbent Rural Independent Telephone Companies Comments, pp. 17-19.

4. The 1987 and 1989 FCC *Orders* cited by the wireless carriers are not on point.

Some wireless carriers argue that FCC *Orders* issued in the 1980's indicate that “a landline company’s filing of a tariff before an interconnection agreement has been negotiated could indicate a lack of good faith.”¹⁸ Neither the law nor the facts supports the wireless carriers’ argument. The 1987 and 1989 FCC *Orders* cited by the wireless carriers are not on point because they pre-date the 1996 Telecommunications Act which establishes the MoSTCG’s duty to negotiate. If the wireless carriers truly want an agreement, then the 1996 Act provides them with a clear mechanism to obtain one.¹⁹ But the facts in Missouri show that the wireless carriers have been unlawfully sending traffic in the absence of an agreement since 1998. In this case, it is the wireless carriers that are demonstrating their bad faith by sending traffic in the absence of a compensation agreement. Rather than do what Congress intended and establish an agreement under the Act, what the CMRS Petitioners truly seek is to continue their unlawful use of the MoSTCG’s facilities and services.

B. Negotiation and Interconnection Agreements

The wireless carriers misrepresent their desire to negotiate and establish agreements under the Act. For example, CTIA states, “Petitioners have made clear their willingness to negotiate interconnection agreements with the ILECs, but they cannot do so if the incumbents are permitted

¹⁸ CTIA Comments, p. 5; *see also* US Cellular Comments, p. 2.

¹⁹ Specifically, ILECs are required to negotiate, and if negotiations fail, then they are subject to mandatory arbitration. *See* 47 U.S.C. §§ 251 and 252.

to simply file tariffs instead.”²⁰ The facts in Missouri demonstrate that this is simply not the case. Rather, the CMRS Petitioners have been sending traffic unlawfully in the absence of any type of approved agreement under the Act. It was only after the Missouri STCG tariffs were approved and after formal complaints were filed with the MoPSC that T-Mobile stepped up and requested negotiations. One of the other CMRS Petitioners, Western Wireless, still has not requested negotiation although Western Wireless has for years been sending traffic without paying anything for its use of the MoSTCG facilities and services.

Although the wireless carriers’ comments all suggest that they stand ready to negotiate, the wireless carriers’ actions in Missouri demonstrate the contrary. For example, AT&T Wireless states, “No one disputes that the negotiation of individual interconnection agreements with each interconnecting carrier can be a cumbersome and expensive process, but that process has proven to be the best way to establish fair, just, and reasonable rates, terms, and conditions for interconnection.”²¹ Contrary to its comments in this proceeding, AT&T Wireless is in no hurry to negotiate agreements in Missouri. This fact was established on the record in the MoSTCG wireless tariff case by a question to AT&T’s witness:

Q. [H]as AT&T Wireless taken steps forward as soon as that first case was over to contact the small companies and work out an agreement with them?

²⁰ CTIA Comments, p. 2.

²¹ AT&T Wireless Comments, p. 7.

- A. Other than notifying the carriers we've received bills from, no, we have not. I mean, we are comfortable with the de facto bill and keep.²²

AT&T Wireless' comments before the FCC completely contradict AT&T Wireless' actions in Missouri. The Missouri testimony reveals AT&T Wireless' obvious lack of interest in negotiating agreements.

AT&T Wireless also states, "Congress and the Commission have struck a balance between competing interests, rather than permit one class of carriers unilaterally to determine when, where, and how they will interconnect with other carriers."²³ Here again, AT&T Wireless' comments contradict its actions. In Missouri, AT&T Wireless has unilaterally determined when, where, and how it will interconnect with the small companies. AT&T Wireless has chosen an indirect interconnection, and AT&T Wireless has reached an agreement with SWBT that allows AT&T Wireless to send traffic to Missouri's small companies.

Unfortunately, AT&T Wireless has not negotiated any sort of agreement that would establish the rates, terms, and conditions for the traffic that AT&T Wireless continues to send to the small companies. In fact, until the MoSTCG member companies' wireless tariffs were approved, AT&T Wireless did not pursue agreements and did not compensate those companies for the wireless traffic. AT&T Wireless did pursue negotiations after the wireless tariffs were

²² *In the Matter of Mark Twain Rural Telephone Company's Wireless Termination Tariff*, Case No. TT-2001-139, (Tr. 437-38) (Question from Commissioner Drainer to AT&T Witness Matt Kohly).

²³ AT&T Wireless Comments, p. 8.

approved. When the negotiations reached an impasse, however, AT&T Wireless did not file for arbitration and instead has continued to pay for the termination of its traffic pursuant to the MoSTCG wireless tariffs. The MoSTCG's experience in Missouri demonstrates that AT&T Wireless is apparently less interested in pursuing its rights under the Act than it is in mischaracterizing the small LECs' willingness to negotiate in hopes of convincing the FCC to preempt the MoPSC's approval of the wireless tariffs.

Cingular Wireless also makes a number of inaccurate claims about negotiations in Missouri. For example, Cingular claims, "While some of these ILECs are now in negotiations with CMRS providers, their proposed negotiated rate is identical to the unlawful tariff rate, which is no-cost-based and excessively high."²⁴ Cingular's claims are false and misleading. The MoSTCG companies have not proposed to use their tariff rate in negotiations. In fact, the MoSTCG has proposed a rate that is less than the wireless tariff rates and substantially less than the MoSTCG's forward-looking costs.

Cingular's attack on the rural ILECs' good faith bargaining is also misplaced. The facts in Missouri show that the MoSTCG companies are willing to play by the rules established by Congress and further defined by the FCC, yet the wireless carriers are not. The Act requires ILECs to negotiate. The MoSTCG companies recognize this responsibility, and they are presently in negotiations with wireless carriers. The Act and the FCC's Rules allow wireless carriers to negotiate or arbitrate for extremely favorable rates and pay far less than other carriers

²⁴ Cingular Wireless Comments, p. 6.

such as IXCs. Nevertheless, most of the wireless carriers operating in Missouri did not seriously pursue these rights until the MoSTCG tariffs were approved. Rather, the wireless carriers have avoided their obligations under the Act and instead chosen to send traffic to the small rural exchanges in the absence of any sort of compensation agreement.

US Cellular freely admits that it is sending traffic to the Missouri companies, and US Cellular claims that its “practice” is to unilaterally impose a “bill-and-keep” arrangement upon small rural carriers:

USCC serves two Missouri MSA markets, the Joplin and Columbia MSAs, and all or part of eight RSA markets. . . . USCC’s practice in that state, as elsewhere, is to adopt a “bill and keep” interconnection arrangement with ILECs, CLECs and other wireless carriers until it has a PUC-approved negotiated interconnection agreement with a given carrier in place.²⁵

US Cellular’s statement gives the impression that it is simply using bill-and-keep until an agreement is negotiated. However, US Cellular has never pursued negotiations with the MoSTCG companies. Instead, US Cellular continues to send traffic without an agreement, and US Cellular apparently intended to continue doing so until the MoSTCG tariffs were approved. After unlawfully sending traffic and avoiding its obligations to establish agreements for years, US Cellular now complains because the MoPSC has finally ended US Cellular’s free ride.

Although the MoPSC has approved tariffs which will put an end to the wireless carriers’ unauthorized and unlawful use of the MoSTCG companies’ networks, the CMRS Petitioners seek

²⁵ US Cellular Comments, p. 5.

an even better deal than is already allowed under rules that heavily favor the wireless carriers.

What the CMRS Petitioners now want is the unilateral right to impose a bill-and-keep relationship upon another carrier even when traffic is not balanced. In short, the CMRS Petitioners seek free use of small rural carriers' facilities and services.

The CMRS Petitioners cannot change the statutes or the rules, and their request is contrary to the intent of the Act. The Act envisions a bilateral negotiation process between carriers, but the CMRS Petitioners seek to bypass this by unilaterally imposing an unlawful "de facto bill-and-keep" scheme on small rural carriers. Under this scheme, the CMRS Petitioners will pay nothing for their use of the small companies' facilities and services. The FCC should reject the CMRS Petitioners' unlawful and unreasonable request.

C. Wireless carriers may not unilaterally impose a bill-and-keep arrangement.

Many of the wireless carriers seem to believe that they have a "de facto bill-and-keep" arrangement in place with the small rural carriers. For example, AT&T Wireless states:

The BOCs generally provide a transiting service, but the indirectly interconnected carriers using that service must make separate arrangements directly with each other with respect to compensation for terminating each others' traffic. This change . . . resulted in the de facto bill and keep arrangements that developed between CMRS providers and independent ILECs.²⁶

RCA and RTG argue that bill-and-keep may be "the least costly and most administratively simple

²⁶ AT&T Wireless Comments, p. 3.

compensation scheme for rural carriers, both wireless and wireline, in the long run.”²⁷

The wireless carriers’ bill-and-keep arguments contradict the facts and the law. As a threshold matter, the MoSTCG companies have never agreed to a bill-and-keep arrangement. And as a matter of law, it is the state commissions, not the wireless carriers, that have the authority to impose bill-and-keep arrangements.²⁸ Nothing in the Act allows one carrier to unilaterally impose a bill-and-keep arrangement upon another. Furthermore, NTCA explains that the imposition of a bill-and-keep regime in this situation would “violate the ‘just and reasonable’ standard under section 201(b) when local call traffic between carriers is unbalanced.”²⁹

RCA and RTG argue that carriers may either negotiate a bill-and-keep regime amongst themselves, or state commissions may mandate bill-and-keep when traffic is roughly balanced.³⁰ In Missouri, negotiations have not produced a bill-and-keep agreement, and the MoPSC has not imposed such an arrangement. In fact, it is unlikely that the MoPSC could impose a bill-and-keep arrangement because, as RCA and RTG themselves concede, the wireless-to-wireline traffic is not

²⁷ RCA/RTG Comments, p. 3.

²⁸ 47 U.S.C. § 252(d)(2)(B)(i) and 47 C.F.R. § 51.701 through 51.717.

²⁹ NTCA Comments, pp. 5-6 (*citing* CompTel Comments: “The Commission has not justified, nor could it justify based on any data on record in this or any other proceedings, an intercarrier compensation rate of zero. Therefore, mandatory bill-and-keep regimes, where traffic flows between competing carriers are not roughly equal, are not ‘just and reasonable’ under Section 201(b) of the Act.”)

³⁰ RCA/RTG Comments, p. 6.

roughly balanced.³¹ Rather, the ratio of call traffic between wireless carriers and rural ILECs is closer to 70%-80% terminating on the rural ILEC network.³² A bill-and-keep arrangement cannot be imposed when there is such a significant imbalance of traffic between carriers.³³

D. De Minimus Traffic

Some of the wireless carriers argue that the traffic they send to the small companies is de minimus and not worth the trouble of establishing an agreement. For example, AT&T Wireless states, “The amount of explicit compensation that would be required to be paid in most cases simply does not justify the expense to either party of separately billing for exchanged traffic, much less negotiating (and, if necessary, arbitrating) an interconnection agreement.”³⁴

Although the traffic may not be significant to large, nationwide wireless carriers, it is becoming more and more important to the small rural carriers. For example, a recent analysis showed that an average of nearly 14% of the total interoffice minutes terminating to a group of Missouri small companies was wireless traffic.³⁵ This percentage will only grow as wireless calling increases. NTCA points out that between 1998 and 2001 the number of wireless

³¹ RCA/RTG Comments, p. 2 (RCA/RTG suggest that wireline-to-wireless calling ratios may eventually “reach the point where there are more wireline-to-wireless calls than *vice versa*.”).

³² NTCA Comments, p. 7.

³³ See 47 C.F.R. §51.705 and §51.713.

³⁴ AT&T Wireless Comments, p. 3.

³⁵ MoSTCG Comments, pp. 26-27.

subscribers doubled from 60 million to 120 million, and total wireless monthly minutes have grown 5 billion to 99 billion per month.³⁶

Wireless traffic is no longer *de minimus* for rural carriers. The Rural Iowa Independent Telephone Association explains:

The amounts involved may be *de minimus* to T-Mobile, but they are enormous to a small rural carrier whose network is being essentially hijacked. Wireless carriers are pushing hundreds of thousands of dollars worth of minutes onto small carriers' networks each month in Iowa and neither the CMRS carrier, not Qwest pay for this access.³⁷

In Wisconsin, a small rural ILEC is not being compensated for over 75% of the traffic that a large ILEC delivers over its Feature Group C circuits.³⁸ Thus, wireless traffic is quite significant to the small rural ILECs, and they are entitled to compensation for terminating this traffic.³⁹

E. IXC-Carried Traffic

Cingular Wireless complains that small rural ILECs “route intra-MTA traffic destined for the network of a CMRS provider with whom they are interconnected at the tandem through an

³⁶ NTCA Comments, p. 8.

³⁷ Rural Iowa Independent Telephone Association Comments, p. 6.

³⁸ NTCA Comments, p. 9.

³⁹ See ICORE Comments, p. 6.

interexchange carrier (IXC), . . . [so] the terminating CMRS carrier is paid nothing.”⁴⁰ Cingular’s comments indicate a misunderstanding of the way traffic is presently exchanged under state and federal law. In Missouri, the MoSTCG companies’ local exchange boundaries have been established by the MoPSC, and the vast majority of the MoSTCG companies only provide local exchange calling to their customers. Toll calling is provided by the end user’s presubscribed (or chosen) long distance carrier pursuant to the equal access requirements of the FCC and the MoPSC. There is nothing in the 1996 Act or the FCC’s *Interconnection Order* that discusses changing the dialing schemes or business relationships which would be required by Cingular’s position.

Qwest objects that a rural originating carrier “not only avoids a requirement to pay reciprocal compensation and transiting charges, but also gains the right to collect access charges from the IXC.”⁴¹ Once again, Qwest’s comments completely contradict Qwest’s own actions. In Iowa, Qwest’s witness admitted that if a Qwest customer places a toll call (i.e. 1+ dialed) to a wireless customer within the same MTA and uses an IXC instead of Qwest to make that call, Qwest will bill the IXC originating access charges on that call.⁴² Because Qwest does not have the authority to carry interLATA calls, any intraMTA calls that cross LATA boundaries must be carried by an IXC.

⁴⁰ Cingular Wireless Comments, pp. 2-3.

⁴¹ Qwest Comments, p. 6.

⁴² *Exchange of Transit Traffic*, Iowa Utilities Board Docket No. SPU-00-7 (DRU-00-2), Tr. 113-15.

F. Section 332

AT&T Wireless claims that Section 332 “continues to provide the Commission with the authority to regulate CMRS-ILEC interconnection after the passage of the 1996 Act and the adoption of sections 251 and 252.”⁴³ The wireless carriers’ analysis of Section 332 is erroneous and inapplicable to the facts in Missouri. First, Section 332 applies to direct interconnection, not indirect interconnection.⁴⁴ Second, Section 332 (c)(1)(B) applies only where a carrier requests interconnection, not where a carrier avoids interconnection obligations.⁴⁵ Therefore, the wireless carriers have not cited proper authority for the relief they request.

⁴³ AT&T Wireless Comments, p. 5.

⁴⁴ See MoSTCG Initial Comments, pp. 20-21.

⁴⁵ See Alliance of Incumbent Rural Independent Telephone Companies Comments, pp. 19-20.

III. CONCLUSION

The MoSTCG wireless tariffs are lawful and reasonable. The tariffs apply only to traffic that is delivered in the absence of an approved agreement under the Act, and the tariffs do not conflict with the wireless carriers' rights to establish such agreements. The MoSTCG companies are entitled to compensation for the wireless carriers' use of their facilities and services. The MoSTCG companies have not agreed to a bill-and-keep arrangement with the wireless carriers, and because far more traffic is sent by the wireless carriers to MoSTCG companies than *vice versa*, the MoPSC cannot (and has not) ordered a bill-and-keep arrangement. Therefore, the FCC should reject the Petition and affirm the MoSTCG member companies' right to compensation for the use of their facilities.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, on this 1st day of November, 2002 to the following:

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ATTACHMENT A

Missouri Small Telephone Company Group

BPS Telephone Company
Cass County Telephone Company
Citizens Telephone Company
Craw-Kan Telephone Cooperative, Inc.
Ellington Telephone Company
Farber Telephone Company
Fidelity Telephone Company
Goodman Telephone Company, Inc.
Granby Telephone Company
Grand River Mutual Telephone Corp.
Green Hills Telephone Corp.
Holway Telephone Company
Iamo Telephone Company
Kingdom Telephone Company
KLM Telephone Company
Lathrop Telephone Company
Le-Ru Telephone Company
McDonald County Telephone Company
Mark Twain Rural Telephone Company
Miller Telephone Company
New Florence Telephone Company
New London Telephone Company
Orchard Farm Telephone Company
Oregon Farmers Mutual Telephone Company
Ozark Telephone Company
Peace Valley Telephone Co., Inc.
Rock Port Telephone Company
Seneca Telephone Company
Steelville Telephone Company
Stoutland Telephone Company